

Testimony Submitted to the Appropriations Committee:

H.B. No. 5004: An Act Making Adjustments To State Expenditures For The Fiscal Year Ending June 30, 2017.

Submitted By: Martin D. Schwartz, President and CEO, The Kennedy Center, Inc.

February 18, 2016

Senator Bye, Representative Walker and distinguished members of the Appropriations Committee, my name is Martin D. Schwartz, President and CEO of The Kennedy Center, Inc. which provides comprehensive programs and services to individuals with disabilities and their families from birth through their senior years.

I would like to share my concerns with **H.B. 5004, An Act Making Adjustments To State Expenditures For The Fiscal Year Ending June 30, 2017**. In particular, I wanted to express my sincere concerns regarding the funding reductions in the Department of Development Services (DDS) budget. This funding reduction would threaten critical services to individuals and families in our service area.

Although the Governor identified the improvement of services for individuals with intellectual disabilities as one of his top priorities; the newly proposed funding cuts would eliminate almost \$56 million from the Development of Developmental Services budget and an additional \$31,816,294 funding cut applied to the combined block grant "Agency Operations" account at DDS. With no specific requirements for DDS to evenly distribute this cut, there is a strong possibility many critical programs could be completely eliminated.

Connecticut's community nonprofits deliver the state's core services, yet they are forced to operate on limited funding, the result of repeated rescissions and chronic underfunding. Doing more with less is not an option. The individuals served by community nonprofits are some of the state's most needy citizens, and in many instances, those who strive every day to increase or regain their independence. The services they receive are life-sustaining. They are also our children and parents, our neighbors and friends.

In addition, Governor Malloy has proposed multiple cuts and changes to the provision of Developmental Services:

1. The most significant change is a transfer of funding for the Community Residential Services line from DDS to the Department of Social Services (DSS) and a change from grant funded service provision to fee-for-service billing.
 - a. The proposed shift to DSS poses the following caveats:
 - i. Without adequate rates, no rate setting methodology can fix the problems in the DDS Community Residential Services programs. Without adequate rates, the waiting list cannot be reduced. The Governor's budget represents a 1:1 transfer between DDS and DSS. Under the current system, there is not adequate funding to address either drastic underpayment to all providers or the waiting list. **A simple transfer without new money will solve neither of these problems.**
 - ii. Community nonprofits must be at the table throughout all aspects of writing a state plan amendment, rate setting methodology and the setting of a rate at DSS. Without this assurance from the administration, we cannot support moving Community Residential services to DDS.
2. The budget before you would convert Residential Community Living Arrangements from Public to Private Nonprofits. **The state must pay adequate rates in order for services to be delivered effectively.**
3. Finally, this budget would eliminate the Early Childhood Autism Waiver altogether.

Underfunding a system already on the verge of collapse threatens the safety and well-being of our communities, and threatens the livelihood of our most vulnerable community members. We must strategize a long-term plan that will provide quality affordable services to our most vulnerable citizens and improve the state's economy.

Thank you for your time and consideration. Please do not hesitate to contact me with any questions, or for additional information.

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